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REPORT
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ARMS CONTROL AND DISARMAMENT AMENDMENTS OF 1985

MAY 14 (legislative day, APRIL 15), 1985.—Ordered to be printed

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Mr. LUGAR, from the Committee on Foreign Relations, submitted the following

REPORT

[To accompany S. 1132]

The Committee on Foreign Relations, to which were referred the bills (S. 731, S. 732) to amend the Arms Control and Disarmament Act to authorize supplemental appropriations for the fiscal year 1985 and to authorize appropriations for the fiscal years 1986 and 1987, for the Arms Control and Disarmament Agency, and for other purposes, having considered the same, reports favorably an original bill and recommends that the bill do pass.

ARMS CONTROL AND DISARMAMENT AMENDMENTS ACT OF 1985

The Committee on Foreign Relations, having under consideration an original bill to amend the Arms Control and Disarmament Act to authorize supplemental appropriations for the fiscal year 1985 and to authorize appropriations for the fiscal years 1986 and 1987, and for other purposes, having considered the same, reports favorably thereon and recommends that the bill do pass.

PURPOSES OF THE BILL

The principal purposes of the bill are to authorize supplemental appropriations of $1,857,000 for the fiscal year 1985; and to authorize appropriations of $25,614,000 for each of the fiscal years 1986 and 1987 for the Arms Control and Disarmament Agency (ACDA). In the case of the authorization for fiscal year 1985, the sum of $4,321,000 is authorized to be expended only in support of the arms control negotiations in Geneva. In the case of the authorization for fiscal years 1986 and 1987, in each year the sums of $6,146,000 is

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authorized to be expended only in support of the arms control negotiations in Geneva.

The bill also establishes a new Section 38, in the Arms Control Act of 1961 as amended to require the Director of the Agency, to prepare an annual report, in coordination with the heads of other relevant agencies, on the adherence of the United States to obligations undertaken in arms control agreements with other nations and on any problems related to compliance by other nations with the provisions of bilateral and multilateral arms control agreements with the United States.

Committee Action

The following bills were referred to the Foreign Relations Committee and were considered, and consolidated into an original bill:

S. 731 to amend the Arms Control and Disarmament Act in order to increase the authorization for fiscal year 1985, which was introduced by Senator Lugar on behalf of the executive branch on March 26, 1985;

S. 732 to amend the Arms Control and Disarmament Act in order to extend the authorization for appropriations, and for the other purposes, which was introduced by Senator Lugar on behalf of the executive branch on March 26, 1985.

On April 2 the Committee met to mark-up the legislation listed above. ACDA was represented by Alison Fortier, Director, Office of Congressional Affairs; William Montgomery, Administrative Director, Office of Administration; and Lucas Fischer, Chief, Technology Division, Bureau of Strategic Programs.

In support of its 1985 supplemental request and its 1986 request, ACDA provided a breakdown of additional expenses needed to support reopened and expanded negotiations with the Soviet Union in Geneva. The new negotiations which opened March 6, 1985, in Geneva deal with strategic forces and intermediate-range forces in Europe. In addition, the negotiations include talks on space and defense weapons. Mr. Montgomery indicated that an additional 20 persons, for which ACDA would provide reimbursement to other departments and agencies, would be assigned to the delegation. An additional 10 persons would be employed by ACDA in Washington to back up the work of the delegation in Geneva. The ACDA paper indicates that $4,321,000 in additional funding woud be needed in 1985, and that $6,146,000 would be needed in 1986. At the request of Senator Sarbanes, ACDA provided a more complete breakdown of anticipated spending. It shows funding under the original fiscal year 1985 appropriation, together with projected spending under the supplemental request. For fiscal year 1986 it shows ACDA's original request, included in the President's budget submission, together with its amended request in light of the Geneva negotiations. This more detailed breakdown follows:

SUMMARY OF THE FISCAL YEAR 1985 AND FISCAL YEAR 1986 GENEVA REQUIREMENTS

[In thousands of dollars]

	Fiscal year 1985 appropriation	Supplemental appropriation request	Total fiscal year 1985 request	Fiscal year 1986 authorization/ appropriation request	Budget amendment add-on	Revised fiscal year 1986 authorization/ appropriation request
Administrative support:						
Contractual Personnel Services	32	.....	32	34	.....	34
Continental Travel	75	45	120	83	100	183
Transportation	17	.....	17	18	.....	18
Rent and Utilities	907	475	1,382	986	300	1,286
Communications	33	10	43	38	20	58
Other Services	272	383	655	296	149	445
Supplies & Equipment	142	331	473	155	99	254
External research	310	150	460	275	260	535
SAS Geneva	140	.....	140	140	.....	140
Interpreters	500	32	532	500	465	965
Reimbursable salaries and benefits	.....	536	536	.....	1,056	1,056
ACDA support personnel	55	116	171	55	274	329
Travel and per diem	650	46	696	750	461	1,211
Computer support	.....	150	150	.....	250	250
Secure ADP and communications capability	.....	1,625	1,625	.....	2,214	2,214
Official residence expense	.....	105	105	.....	210	210
Permanent change of station	.....	317	317	.....	288	288
Totals	3,133	4,321	7,454	3,330	6,146	9,476

To spend $4,321,000 above the appropriated level would require a supplemental authorization for the fiscal year 1985 of $1,857,000. The requested authorization of $25,614,000 for the fiscal year 1986 would represent an increase of $3,682,000 over the 1985 authorization, or an increase of $1,825,000 over the total 1985 authorization, assuming approval of the supplemental.

ARMS CONTROL AND DISARMAMENT AGENCY FUNDING

[In thousands of dollars]

	Fiscal year				
	1984	1985	1985 supplemental	1986	1987
Authorization	20,888	21,932	[1] 1,857	[1] 25,614	[1] 25,614
Total		[1] 23,789			
Appropriated	18,628	19,468	[2] 4,321	[2]25,614	.....
Total		[2] 23,789			

[1] Indicates Committee recommendation.
[2] Administration request.

According to ACDA officials, the additional funds are needed to support the new negotiations in Geneva. Senator Dodd pointed out that in the last fiscal year in which major negotiations were conducted throughout the year (1983) the Agency spent approximately $16 million. the Senator contrasted that sum with the $23.8 million sought for fiscal year 1985 and the $25.6 million sought for fiscal year 1986. In response to a question by Senator Dodd, Mr. Montgomery indicated that the Agency had returned a little more than

$1 million to the treasury in fiscal year 1984, when the strategic arms talks and intermediate-range nuclear force talks had been broken off, however, that most negotiations expenses are fixed. Senator Sarbanes noted that the substantial increases for ACDA stand in marked contrast to the situation on other budgets. Given the importance of the talks, as well as the need to maintain budgetary contraints, Senator Sarbanes suggested that the additional authorization sought for fiscal year 1985 and the total sought for fiscal year 1986 should be approved, but earmarked for spending only in support of the Geneva Talks. The Committee agreed. In addition, Senator Lugar suggested, rather than give an open-ended authorization for fiscal year 1987, the 1986 level should be straightlined for 1987. Senator Sarbanes suggested that earmarking for the negotiation also be continued in 1987. The Committee agreed.

S. 732 also requested upgrades in ACDA positions of Assistant Director from Executive Level V to IV and of Deputy Director from IV to III. The Committee denied the request.

The Committee also approved an amendment offered by Senator Pell requiring the Director of ACDA to prepare an annual report on U.S. adherence to arms control agreements, and on any problems of compliance by other parties to bilateral and multilateral agreements with the United States. The Director of ACDA should coordinate the preparation of these reports with the Secretary of State, Secretary of Defense, Secretary of Energy, Chairman of the Joint Chiefs of Staff and the Director of Central Intelligence. The Committee understands that the scope of the reports goes beyond ACDA's direct responsibilities, and that sections will be drafted by the appropriate organizations. The annual report shall include, with respect to each adherence or compliance question addressed therein, a brief legal analysis of the obligations undertaken in the relevant agreements that bear on such questions. It is expected that these analysis will be fully coordinated among the involved departments and agencies. The Committee expects that the Director will take the lead in ensuring the provision to Congress of coordinated U.S. government assessments of these important issues. The President shall submit the reports to Congress by January 31 of each year.

The Chairman proposed that S. 731 and S. 732 be combined as an original committee bill, and that it be reported favorably. The motion was approved by a vote of fifteen to one. Voting in the affirmative were Senators Mathias, Kassebaum, Boschwitz, Pressler, Murkowski, Trible, Evans, Pell, Biden, Sarbanes, Cranston, Dodd, Eagleton, Kerry, and the Chairman. Voting in the negative was Senator Zorinsky.

Committee Comments

The Committee has repeatedly supported authorizations and appropriations for ACDA sufficient to ensure that there would be adequate funding to support various arms control negotiations. In fiscal year 1985, the Agency will be providing most of the funding for the strategic arms, intermediate-range nuclear forces, and space and defense weapons talks. In addition, the Agency is incurring costs in connection with Mutual and Balanced Force Reduction

(MBFR) Talks in Vienna, the Standing Consultative Commission (SCC) sessions in Geneva, and the Committee on Disarmament in Geneva. After weighing all of these factors, the Committee believed it appropriate to accede to the Administration's request for the increase in funding to support the negotiation.

Nonetheless, while the Committee does not wish the Administration hindered in any efforts to achieve good solid arms control agreements, the Members concluded that it would be prudent to earmark the additional funds sought to be used specifically and solely in support of the new arms control negotiations. In a time of fiscal austerity and massive budget deficits, the Committee felt it appropriate to require that ACDA join other agencies and departments in exercising as much fiscal restraint as possible, while, at the same time, giving full support to the negotiations. Accordingly, the Committee decided to meet the full Administration request with the requirement that the additional funds be spent solely to support the negotiations in Geneva.

In the past two years, amendments to defense bills have required reports on Soviet compliance with arms control agreements. The Committee believes that problems of Soviet compliance are most important to U.S. security and to the success of future arms control efforts, and must be dealt with carefully and effectively. Therefore, the Pell amendment codifies the requirement to report on Soviet compliance problems, but it also expands the requirement to cover the activities of other nations. In addition, the report requires an assessment of damage, if any, to U.S. security and other interests, and recommendations as to any steps which should be considered to redress any damage, to U.S. national security and to reduce compliance problems. The Committee believes this essential for intelligent consideration of the compliance reports.

The amendment also requires information on policies and organization to ensure U.S. adherence to arms control agreements, identification of programs with a direct bearing on adherence and steps being taken to ensure adherence, a compilation of substantive questions raised by other nations regarding our adherence, together with an assessment of these issues and the need for any corrective action. In requiring reports on U.S. adherence, the Committee does not wish to imply that there are presently questions or problems regarding U.S. adherence to arms control agreements which require resolution. Rather, the Committee desires to have the government demonstrate publicly that the United States takes its treaty obligations seriously and imposes the same standards upon itself that it expects of other parties. Moreover, the Committee hopes tha the new reports will be thorough and precise, but will be succinct, and not duplicate any present reporting requirements in order to enhance their value to the Congress and the public and in order not to constitute an onerous burden upon those responsible for their preparation.

Section-by-Section Analysis

Section 1. This Act may be cited as the "Arms Control and Disarmament Amendments Act of 1985."

Section 2. This section authorizes a supplemental authorization for ACDA of $1,857,000, for a total fiscal year 1985 authorization of $23,789,000. $4,321,000 is earmarked for use only in support of the Geneva Arms Control negotiations.

Section 3. This section authorizes appropriations of $25,614,000 for each of fiscal years 1986 and 1987. $6,146,000 is earmarked each year only for support of the Geneva negotiations.

Section 4. This section establishes a new Section 38 in the Arms Control and Disarmament Act requiring the Director to prepare an annual report, in coordination with the Secretary of State, Secretary of Defense, Secretary of Energy, Chairman of the Joint Chiefs of Staff and the Director of Central Intelligence, on the adherence of the United States to obligations undertaken in arms control agreements with other nations and on any problems related to compliance by other nations with the provisions of bilateral and multilateral arms control agreements with the United States. Reports are to be submitted in unclassified form, with classified annexes, as appropriate, by January 31 of each year.

Cost Estimate

In accordance with rule XXVI, paragraph 11(a) of the Standing Rules of the Senate, the Committee provides the following estimates of the cost of this original bill, prepared by the Congressional Budget Office:

Evaluation of Regulatory Impact

In accordance with rule XXVI, paragraph 11(b) of the Standing Rules of the Senate, the Committee has concluded that there is no regulatory impact from S.

Changes in Existing Law

In compliance with paragraph 12 of Rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

U.S. Congress,
Congressional Budget Office,
Washington, DC, May 14, 1985.

Hon. Richard G. Lugar,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget Office has prepared the attached cost estimate on the Arms Control and Disarmament Act of 1985, as ordered reported by Senate Committee on Foreign Relations on April 2, 1985.

Should the Committee so desire, we would be pleased to provide further details on the attached cost estimate.

With best wishes,

Sincerely,

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: Unassigned.
2. Bill title: Arms Control and Disarmaments Act of 1985.
3. Bill status: As ordered reported by the Senate Committee on Foreign Relations on April 2, 1985.
4. Bill purpose: The bill amends the Arms Control and Disarmament Act to authorize supplemental appropriations for fiscal year 1985, extends the authorization of appropriations for the Arms Control and Disarmament Agency for the fiscal years 1986 and 1987 and otherwise amends existing law.
5. Estimated cost to the Federal Government:

[By fiscal year, in thousands of dollars]

	1985	1986	1987	1988	1989	1990
Authorization level	23,789	25,614	25,614			
Less: Estimated existing appropriation	−19,468					
Net authorization	4,321	25,614	25,614			
Estimated outlays	3,673	19,915	25,276	6,045	538	102

Costs for this bill fall in budget function 150.

Basis for estimates: This estimate assumes enactment of this legislation by October 1, 1985 and subsequent appropriation of the authorized amounts. The authorization amounts are stated in the bill. Outlays for programs were estimated using historical outlay rates.

6. Estimated cost to State and local governments: None.
7. Estimate comparison: None.
8. Previous cost estimate: None.
9. Estimate prepared by: Lisa R. Brown.
10. Estimate approved by: C.G. Nuckols (for James L. Blum, Assistant Director for Budget Analysis).

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of Rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Arms Control and Disarmament Act, as amended

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TITLE I—SHORT TITLE, PURPOSE, AND DEFINITIONS

SHORT TITLE

[Section 1. This Act may be cited as the "Arms Control and Disarmament Act".]

Section 1. This Act may be cited as the "Arms Control and Disarmament Act of 1985".

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TITLE IV—GENERAL PROVISIONS

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APPROPRIATION

SEC. 49. (a) To carry out the purposes of this Act, there are authorized to be appropriated—

[(1) for the fiscal year 1984, $20,888,000;

[(2) for the fiscal year 1985, $21,932,000; and]

(1) for the fiscal year 1985, $23,798,000, of which amount $4,321,000 shall be available only to pay necessary expenses incurred in connection with arms control negotiations with the Government of the Soviet Union on stragetic arms reductions, intermediate-range nuclear forces, and space and defensive weapons; and

(2) for the fiscal year 1986, $25,614,000, and, for the fiscal year 1987, $25,614,000, of which amounts $6,146,000 shall be available in each fiscal year only to pay necessary expenses incurred in connection with arms control negotiations conducted with the Government of the Soviet Union on stragetic arms reductions, intermediate-range nuclear forces, and space and defensive weapons; and

(3) such additional amounts as may be necessary, for each such fiscal year, for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs, and to offset adverse fluctuations in foreign currency exchange rates.

Of the sums authorized to be appropriated for the fiscal years 1984 and 1985, not less than $200,000 shall be available in each such fiscal year only for the program for visiting scholars in the field of arms control and disarmament established under section 28 of this Act. Amounts appropriated under this subsection are authorized to remain available until expended.

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REPORTS ON ADHERENCE TO AND COMPLIANCE WITH AGREEMENTS

SEC. 52. (a) The Congress determines that the achievement and maintenance of successful controls upon armaments requires official and public confidence that the parties are expected to adhere to their commitments and that the parties will be held accountable for failure to meet obligations. Without such confidence, existing arms control accords are eroded, and the prospects are jeopardized for new agreements which can place further controls on the competition in nuclear and conventional weapons and which can increase international stability. In accordance with this determination—

(1) the President shall submit, not later than January 31 of each year, to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report prepared by the Director, in coordination with the Secretary of State, the Secretary of Defense, the Secretary of Energy, the Chairman of the Joint Chiefs of Staff, and the Director of Central Intelligence, on the adherence of the United States to obligations undertaken in arms control agreements

and on any problems related to compliance by other nations with the provisions of bilateral and multilateral arms control agreements to which the United States is a party; and

(2) the section of the report dealing with United States adherence shall include information on the policies and organization of each relevant agency or department of the United States to ensure adherence, a description of national security programs with a direct bearing on adherence questions and of steps being taken to ensure adherence, and a compilation of any substantive questions raised during the previous year regarding United States adherence, together with an assessment of such issues and the need for any corrective action; and

(3) the section of the report dealing with problems of compliance by other nations shall include, in the case of each treaty or agreement about which compliance questions exist—

(A) a description of each significant issue raised and efforts made and contemplated with the other party to seek a resolution of the difficulty;

(B) an assessment of damage, if any, to United States security and other interests; and

(C) recommendations as to any steps which should be considered to redress any damage to United States national security and to reduce compliance problems.

(b) The report required by subsection (a) shall be provided in unclassified form, with classified annexes, as appropriate.

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